MUNISIPALITEIT EMTHANJENI MUNICIPALITY

DE AAR
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Fax: (053) 631-0105
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HANOVER: Tel. (053) 643-0026

BRITSTOWN: Tel. (053) 672-0202

Verw. Nr: 5/16/1/11
Ref. No: .....

Navrae: Mr E Faas
Enquiries: .....

Alle Korrespondensie moet gerig word aan die "MUNISIPALE BESTUURDER"

All Correspondence must be addressed to the "MUNICIPAL MANAGER"

Posbus / P.O. Box 42, DE AAR 7000

Kantoor van die: MUNICIPAL
Office of the: MANAGER

Date:: 13 February 2006
Datum: .....

Head of Department
Department Housing and Local Government
PO Box 5005
KIMBERLEY
8300

Sir

ANNUAL FINANCIAL STATEMENTS 2004/2005

Find attached a copy of the Financial Statements for 2004/2005. Also attached are copies of Council Resolution approving statements, acknowledgement of receipt from the AG and letter to National Treasury confirming the submission of the statements to the AG.

Yours faithfully

pp I VISSER
MUNICIPAL MANAGER
/tt

VISION
A humane and caring society living in a healthy and secure environment conducive to sustainable economic development

MISSION STATEMENT
To deliver quality services and promote development in our municipal area in a non-sexist, non-racial and non-discriminating manner. We do this by creating a climate of co-operative governance with meaningful partnerships with all the stakeholders in the municipal area, especially the member of the general public

SPESIALE RAADSVERGADERING

SRV. 2005-10-20 R/V GEHOU

AFDELING

SR/V BLADSY NR 3 SR/V ITEM 5

5. GOEDKEURING VAN FINANSIËLE STATE 2004/2005 (5/16/1/1) HAB

Die Finansiële State vir die 2004/2005 finansiële jaar word aangeheg as SRV 1 – SRV 36

AANBEVEEL:

1. Dat die Raad die finansiële state vir die jaar 2004/2005 goedkeur.
2. Dat die Raad die transaksies op die aanwendingsrekenings gedurende die jaar 2004/2005 goedkeur.
3. Dat die Raad enige ander uitgawe aangegaan waarvoor daar nie in die begroting vir die jaar 2004/2005 voorsiening gemaak is nie, goedkeur.

BESLUIT:

1. **Dat die Raad die finansiële state vir die jaar 2004/2005 goedkeur.**
2. **Dat die Raad die transaksies op die aanwendingsrekenings gedurende die jaar 2004/2005 goedkeur.**
3. **Dat die Raad goedkeuring verleen vir enige ander uitgawe aangegaan, waarvoor daar nie in die begroting vir die jaar 2004/2005 voorsiening gemaak is nie, maar deur die Raad goedgekeur is, insluitende R700 000 per kwartaal wat vir wyksprojekte aangewend is gedurende die jaar, verhoogde voorsiening vir slegte skuld en regstellings op batesaldo's.**

MUNISIPALITEIT EMTHANJENI
ONTVANG
3 1 OCT 2005
BUNDELNo: 5/16/11
VIR AANDAG: Hans
Copy to CFO

AUDITOR-GENERAL

OFFICE OF THE AUDITOR-GENERAL PRIVATE BAG X5013 KIMBERLEY 8300 REPUBLIC OF SOUTH AFRICA TEL (053) 831 1016 FAX 833 3231

The Municipal Manager
Attention: Mr I Visser
Emthanjeni Municipality
PO Box 42
DE AAR
7000

25 October 2005

Dear Mr Visser

FINANCIAL STATEMENTS FOR THE 2004-05 FINANCIAL YEAR-END

I hereby acknowledge receipt of the financial statements of Emthanjeni Municipality, which are subject to audit by the Auditor-General in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 4 and 20 of the Public Audit Act, 2004 (Act. No. 25 of 2004) and section 126(3)(a) of the Municipal Finance Management Act, 2003.

This letter serves to confirm receipt of the above-mentioned financial statements on 7 October 2005 by the Auditor-General.

However, I wish to highlight the following deviations that have been identified while performing a high-level review of the annual financial statements that were submitted to us:

1. A statement heading and reporting date is not included on all pages of the financial statements.
2. The terminology used on the index page does not agree with that used in the financial statements. The following differences were noted:
   - Index used 'Verslag van die Stadstesourier' and Treasurer's Report and the financial statements used 'Verslag van die Hoof Finansiele Beampte' and Report of the Chief Financial Officer.
   - Index used 'Statistiese inligting' and Statistical information and the financial statements used 'Algemene statistiek' and General statistic.
3. It was noted that the financial statements was not yet approved by the Council.
4. The report of the Chief Financial Officer does not include the following:
   - Post balance sheet events
   - General
   - Expression of appreciation
5. In note 2.1 of the report of the chief financial officer it was noted that '% (Over)/Under' for Capital from Income was incorrect.
6. The report of the CFO was not signed and approved.
7. The accounting policy numbers are not sequential.
8. The terminology used in the balance sheet does not agree with the terminology used in the notes to the financial statements. (Note 1 and note 7)
9. The amounts disclosed in the income statement with regards to community services do not agree to the totals used in Appendix E.
10. It was noted that the comparative figures for note 12, 13, 14 and 23 did not agree to the previous year financial statements.
11. Appendix A: Opening balances does not agree to the prior year closing balances.
12. Appendix B: Opening balances does not agree to the prior year closing balances.

001

EMTHANJENI MUNICIPALITY

13. The terminology used in the cash flow statement does not agree exactly with the terminology used in the notes to the financial statements.
14. Differences were noted between the comparative figures in the cash flow statement and the amounts disclosed in the notes to the financial statements.
15. The amounts in the cash flow statement do not agree with changes from the prior to the current year as shown in the balance sheet.
16. Non-compliance to the disclosure requirements of section 124 and section 125 of the MFMA, 2003.
17. Net assets do not agree with outstanding loans.
18. It was noted that many lines in the annual financial statements do not disclose any current of comparative amounts. I would suggest that these lines be taken out of the annual financial statements to clean up the presentation of the disclosure. In doing so, please take due care of many mandatory notes such as contingent liabilities and capital commitments that should not be deleted.

Yours faithfully

Business Executive: Northern Cape

REFERENCE: 21433RE 504/05
ENQUIRIES: Mr. M Lorgat

MUNICIPAL
MANAGER

Mr E Faas

02 December 2005

Attention: Mr William Ramphele
Department Provincial and Local Govt
PO Box 804
PRETORIA
0001

Fax: 012 334 4888

Sir

REPORT OF THE AUDITOR-GENERAL ON THE SUBMISSION OF ANNUAL FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2005:

Your correspondence dated 30 November 2005 refers.

Our financial statements were submitted on 07 October 2005 and there audit thereof started on 29 November 2005.

In July 2005 we indicated to National Treasury and subsequent to that the Provincial Treasury, that we will be submitting our statements by 30 September 2005. We failed to meet our target date due to circumstances we couldn't foresee and thus struggled to get our accounts to balance correctly. Attached is a copy of the confirmation letter from the Auditor-General's Office.

We sincerely apologise for not informing DPLG that our statements would be late when we informed National Treasury.

Yours faithfully

pp T VISSER
MUNICIPAL MANAGER
/tt

MUNICIPALITY EMTHANJENI MUNISIPALITEIT

Financial statements for the year ended
30 June 2005

Finansiële state vir die jaar geëindig
30 Junie 2005

Vision

A humane & caring society living in a healthy & secure environment conductive to sustainable economic development.

Mission statement

To deliver quality services and promote development in our municipal area in a non-sexist, non-racial and non discriminating manner. We do this by creating a climate of co-operative governance with meaningful partnerships with all the stakeholders in the municipal area, especially the member of the public.

EMTHANJENI MUNISIPALITEIT/MUNICIPALITY

INHOUDSOPGAWE/INDEX — BLADSY/PAGE

1. Algemene Inligting/General information	1
2. Burgermeester voorwoord/ Mayor's foreword	2
3. Rekeningkundige Beleid/ Accounting policy	3 – 5 6 - 8
2. Verslag van die Hoof Finansële Beampte Report of the Chief Financial Officer	9 – 12 13 – 16
4. Balansstaat/Balance Sheet	17
5. Inkomstestaat/Income Statement	18
6. Kontantvloeistaat/Cash Flow Statement	19
7. Aantekeninge tot die Finansiële State/Notes to the financial Statements	20 – 27
8. Aanhangsels/Appendices	
A: Opgehoopte Fondse, Trustfondse, Reserwes en Voorsienings Accumulated Funds,Trust Funds, Reserves and Provisions	28
B: Eksterne Lenings en Interne voorskotte External loans and Internal advances	29
C: Ontleding van Vaste Bates Analysis of Fixed Asstes	30
D: Ontleding van Bedryfsinkomste en Uitgawes Analysis of Operating Income and Expenditure	31
E: Gedetailleerde Inkomstestaat Detailed Income Statement	32
F: Algemene Statistiek General statistic	33
G: Add requirements in terms of MFMA	34

ALGEMENE INLIGTING/GENERAL INFORMATION

LEDE VAN DIE RAAD VAN EMTHANJENI/MEMBERS OF THE COUNCIL OF EMTHANJENI

Burgermeester:/Mayor:
Raadslid/Councillor: B K Markman

Spreker:/Speaker:
Raadslid/Councillor: P H van Staden

Lede van die Raad:/Members of the Council:
Raadslid/Councillor: J Mafilika
Raadslid/Councillor: NPG Tshangela
Raadslid/Councillor: WS Madyo
Raadslid/Councillor: A Makaai
Raadslid/Councillor: OG Sieberhagen
Raadslid/Councillor: F Fillies
Raadslid/Councillor: A Strydom
Raadslid/Councillor: GL Nyl
Raadslid/Councillor: JD Bantu
Raadslid/Councillor: HG Jenkins
Raadslid/Councillor: C Koopman
Raadslid/Councillor: MS September

Gradering van Plaaslike Owerheid:/Grading of the local Authority:
Graad 3/Grade 3

Ouditeure:/Auditors:
Die Ouditeur – Generaal/Auditor General

Bankiers:/Bankers:
ABSA Bank

Geregistreerde Kantoor:/Registered Office:
Voortrekkerstraat/street 45
De Aar
7000

Posadres:/Postal Adress:
Posbus/PO Box 42
De Aar
7000

Telefoon:/Telephone: (053) 632 9100
Faks: /Fax: (053) 631 0105

Munisipale Bestuurder:/Municipal Manager:
Mnr/Mr I Visser
Bachelor of Commerce and Higher Diploma in Education

Approval of financial statements:

The annual financial statements for the year ended 30 June 2005 set out on pages 3 to 34 were approved by the Municipal Manager on 19/10/05 and presented to and approved by Council on 20 October 05

Municipal Manager: I Visser

Mayor: B K Markman

MAYOR'S FOREWORD

It is expected from a Municipality to provide defined services to the community as prescribed in the Constitution. National and Provincial Governments are enacted to have an executive and legislative authority over the rendering of municipal services and are therefore in a position to manage and control the fiscal power of the Municipality.

Not withstanding the limited resources available to ensure sustainability in attending to our responsibilities, it is our duty to render services in a cost effective, sustainable and affordable manner to the communities.

Although the latter half of the year under review has been very difficult from a financial and planning point of view, I am glad to report that the Town Council and its personnel were able to obtain more than acceptable results and to achieve most of the goals set. Savings on expenditure mainly contributes towards a surplus on the operating account and with further adjustments on the appropriation account this increased the accumulated surplus from R5 239 318 to a surplus of R13 219 589.

Perseverance in performance is the keystone of the municipal management processes and I am hopeful that we will be able to be sustainable in this regard. Challenges are not unbridgeable and we will continue to ensure sustainability in attending to our responsibilities which will always be an essential factor in the planning of a budget that enh established municipality's assets, infra-structure and properties.

In conclusion I would like to express my appreciation to the Executive Committee, Council, Municipal Manager, Departmental Heads and all other personnel for their support, co-operation and hard work during the past year.

Thank you

CLR BK MARKMAN
MAYOR

REKENINGKUNDIGE BELEID

1. Basis van aanbieding

1.1 Hierdie finansiële state is opgestel om te voldoen aan die standaarde neergelê deur die Instituut van Munisipale Tesouriers en Rekenmeesters in sy **Gebruikskode vir die Rekeningkunde van Plaaslike Owerhede(1992)** en die **Verslag oor die Standaardisering van die Finansiële State van Plaaslike Owerhede (jongste gewysigde uitgawe).**

1.2 Die finansiële state word op die historiese kostebasis opgestel en aangepas vir vaste bates, soos uiteengesit in rekeningkundige beleid, item 3. Die rekeningkundige beleid stem ooreen met die van die vorige jaar, behalwe waar anders aangedui.

1.3 Die finansiële state word volgens die toevallingsgrondslag opgestel:

- Inkomste word erken wanner dit meetbaar en invorderbaar word. Sekere direkte inkomste soos verkeersboetes en sekere lisensies word erken wanneer dit betaal word.
- Uitgawe word erken in die jaar waarin dit aangegaan word.

2 Konsolidering

Die balanstaat omsluit Belasting- en Algemene Dienste, Behuisingdienste, Handelsdienste en die verskillende fondse, reserwes en voorsienings. Alle interdepartementele transaksies word teen mekaar verreken, behalwe in die geval van eiendomsbelasting, elektrisiteit, vullisverwydering en water wat as inkomste en uitgawe in die onderskeie departemente behandel word.

3 Vaste Bates

3.1 Vaste bates word getoon:

- teen historiese koste; of
- teen waardasie (gebasseer op die markprys op die datum van verkryging), waar bates deur middel van 'n toekenning of skenking verkry is,

terwyl dit bestaan en geskik is vir gebruik, behalwe in die geval van massa-bates wat aan die einde van hul beraamde lewensduur, soos vasgestel deur die tesourier, afgeskryf word.

3.2 Waardevermindering:

Die saldo wat teen die opskrif "Lenings Afgelos en Ander Kapitaalontvangste" in die aantekening tot die balansstaat getoon word, is gelykstaande aan 'n voorsiening vir waardermindering. Behalwe vir voorskotte uit die verskillende raadsfondse, kan bates ook op die volgende wyse verkry word:

- Toewysings uit inkomste, waar die volle koste van die bate 'n onmiddellike en direkte heffing teen bedryfsinkomste vorm, en dit dus nie nodig is om enige verdere voorsiening vir waardevermindering te maak nie.
- Toekenning of skenking, waar die bedrag wat die waarde van so 'n toekenning of skenking verteenwoordig, onmiddellik na die "Lenings Afgelos en Ander Kapitaalontvangste"-rekening gekrediteer word.

3.3 Die netto opbrengs uit die verkoop van roerende vaste bates word na die Wentelfonds gekrediteer. Indien onroerende bates soos grond en geboue verkoop word, word die netto opbrengs daarvan teen die Wentelfonds gekrediteer.

3.4 Kapitaalbates word uit verskillende bronne gefinansier, insluitend eksterne lenings, bedryfsinkomste en interne voorskotte. Die lenings en voorskotte word terugbetaal binne die beraamde nuttige lewensduur van die bates wat uit sodanige lenings en voorskotte gefinansier word. Rente word teen die heersende rentekoers ten tye van die toestaan van die voorskot teen die betrokke diens gedebiteer.

4 Voorraad

Voorraad word waardeer teen die laagste van koste, vasgestel volgens die geweegde gemiddelde grondslag, en die netto realiseerbare waarde.

5 Fondse en reserwes

5.1 Wentelfonds

Die Ordonnansie op die Wentelfonds, nr 20 van 1974, vereis dat 'n plaaslike owerheid 'n bydrae van 7.5% van die erfbelasting inkomste van die onmiddellik voorafgaande jaar of die vorige jaar bydrae plus 20% tot die fonds sal maak welke bydrae die kleinste die verpligte bydrae is.

5.2 Leningsdelgingsfonds

Die delging van Eksterne Lenings in die Gekonsolideerde Leningsfonds word voorsien deur die jaarlikse terugbetaling van voorskotte wat aan leendienste gemaak is, bereken volgens die beraamde nuttige lewensduur van die bates aangeskaf, dog onderhewig aan 'n maksimum van 30 jaar op die lewensduur van enige individuele bate. Interne voorskotte word in die verhouding tot die beraamde nuttige lewensduur van 'n bate terugbetaal. Die delging van staatslenings word halfjaarliks op 'n annuiteitgrondslag gedoen.

5.3 Delgingsfonds

Bogenoemde fondse was gestig met die doel on sekere lenings op die aflosdatum ten volle te vereffen en slegs die rente word halfjaarliks betaal.

5.4 Trustfonds

Bogenoemde fondse word gehou vir 'n spesifieke doel en die Raad kan op geen stadium gebruik maak van hierdie fonds vir enige ander gebruik as waarvoor die fonds oorspronklik gestig was nie.

6. Voorsienings

Voorsienings word gestig om verpligtings of gebeurlikhede wat ten tye van die balansstaat bekend is, maar waarvan die betrokke bedrae nie met redelike sekerheid bepaal kan word nie, na te kom. Voorsienings wat 'n vermindering in die waarde van gepaardgaande bedryfsbates verteenwoordig, word in die betrokke aantekeninge direk van die totaal van die betrokke bates afgetrek en dus nie afsonderlik in aantekening 12 getoon nie.

7. Aftreevoordele

Die Raad en sy werknemers dra by tot die Kaapse Gemeenskaplike Pensioenfonds en SALA, terwyl sy raadslede tot die Pensioenfonds vir Raadslede bydra.

Die aftreevoordeleplan is onderhewig aan die Wet op Pensioenfondse, 1956 en pensioene word bereken volgens die laaste pensioendraende vergoeding betaal. Huidige bydraes word teen bedryfsinkomste gehef, gegrond op huidige dienskoste. Ongunstige ondervindingsaanpassings en die koste van die versekering van verhoogde voordele word afgeskryf oor die kleinste van die oorblywende dienstydperk van werknemers of vyf jaar. Gunstige ondervindingsaanpassings word in die aftreevoordeleplan behou.

8. Oorskotte en tekorte

Enige oorskotte of tekorte wat uit die bedryf van Elektrisiteits- en Waterdienste voortspruit, word ten volle na Belasting- en Algemene Dienste oorgedra.

9. Behandeling van administratiewe en ander koste

Die koste van interne hulpdienste word, in ooreenstemming met die riglyne in die Instituut se Verslag oor die Rekeningkundige Behandeling (1990), teen die verskillende dienste gedebiteer.

10. Bruikhuur – bates

Die Raad beskik oor geen bruikhuur – bates nie.

11. Beleggings

Beleggings word teen die laagste van koste of markwaarde getoon indien daar 'n voortdurende afname in waarde is. Beleggings word gedoen ooreenkomstig Omsendbrief nr LG/PB/31/1992 van 28 September 1992 en Omsendbrief C/35/1994 van 13 Julie 1994 soos uitgereik deur Tak Gemeenskapsdienste.

12. Uitgestelde Koste

Die Raad beskik oor geen uitgestelde koste nie.

13. Inkomste-erkenning

13.1 Elektrisiteit en waterheffings

Meters in alle gebiede en op standplase met hoogspanningstoevoer word maandeliks gelees en gefaktureer.

13.2 Eiendomsbelasting

Emthanjeni Munisipaliteit maak van 'n gedifferensieerde terreinwaarde-belastingstelsel gebruik. Volgens hierdie stelstel word eiendomsbelasting op die grondwaarde van eiendomme gehef. Die besigheidspersele betaal ook 'n klein heffing vir parkering. Verligting word aan behoeftige en bejaarde eienaars op grond van inkomste en ouderdom gegee.

13.3 Ander inkomste

Die inkomste van dienste soos vullisverwydering en riolering wat deur middel van debiteure verhaal word, word erken wanner sodanige heffings teen die rekenings gedebiteer word. Die inkomste uit ander (kleiner) dienste, lisensies of gelde word erken wanner dit betaal word.

14 Gekonsolideerde Leningsfonds

Die kapitaalhulpbronne van die Gekonsolideerde Leningsfonds bestaan uit beide eksterne en interne lenings. Voorskotte word aan die leendienste toegestaan teen 'n rentekoers gelykstaande aan die koste van die Fonds se kapitaalbehoeftes, en word terugbetaal oor die nuttige lewensduur van die bates wat so gefinansier word.

ACCOUNTING POLICIES

1. Basis of presentation

1.1 The financial statements have been prepared so as to conform to the standards laid down by the Institute of Municipal Treasurers and Accountants in its Code of Practice (1992) and Report on Published Annual Financial Statements (Second Edition - January 1996).

1.2 The financial statements are prepared on the historical cost basis and adjusted for fixed assets, as set out in accounting policy, note 3. The accounting policies are consistent with those applied in the previous year, except where otherwise indicated.

1.3 The financial statements are prepared according to the accrual basis:

- Income is accrued when measurable and available to finance operations. Certain direct income, such as traffic fines and certain licenses, is accrued when received.
- Expenditure is accrued in the year it is incurred.

2. Consolidation

The financial statements include Rates and General Services, Housing Services, Trading Services and the different funds, reserves and provisions. All interdepartmental transactions are set-off against one another, with the exception of assessment rates, electricity, refuse removal and water, which are treated as income and expenditure in the respective departments.

3. Fixed Assets

3.1 Fixed Assets are stated:

- at historical cost, or
- at valuation (based on the market price at date of acquisition), where assets have been acquired by grant or donation, while they are in existence and fit for use, except in the case of bulk assets which are written off at the end of their estimated life as determined by the treasurer.

3.2 Depreciation:

The balance shown in the heading "Loans Redeemed and Other Capital Receipts" in the notes to the balance sheet is tantamount to a provision for depreciation. Apart from provisions from the various council funds, assets may also be acquired through:

- Appropriations from income, where the full cost of the asset forms an immediate and direct charge against the operating income and it is therefore unnecessary to make any further provision for depreciation.
- Grant and donation, where the amount representing the value of such a grant or donation is immediately credited to the "Loans Redeemed and Other Capital Receipts" account.

3.3 All net proceeds from the sale of movable property are credited to the revolving fund. Net proceeds from the sale of all fixed assets are credited to the revolving fund.

3.4 Fixed assets are financed from different sources, including external loans, operating income, endowments and internal advances. These loans and advances are repaid within the estimated lives of the assets acquired from such loans or advances. Interest is charged to the service concerned at the ruling interest rate applicable at the time that the advance is made.

4. Stock

Stock is valued at the lower of cost, determined on the weighted average basis, and net realisable value.

5. Funds and reserves

5.5 Revolving Fund

The Ordinance on Revolving Funds, no 20 of 1974, requires that a local authority makes a contribution of 7,5% of the rates assessment income for the immediately preceding year or the previous year's contribution plus 20% to the fund, whichever contribution is the smallest of the compulsory contribution.

5.6 Loan redemption fund

The redemption of External Loans in the Consolidated Loan Fund is provided through the annual repayment of advances made to the borrowing services, calculated according to the estimated useful lives of the assets acquired, but still subject to a maximum of 30 years on the life expectancy of any individual asset. Internal loans are repaid proportionately according to the expected useful lives of an asset. The redemption of government loans are done half yearly on an annuity basis.

5.7 Redemption fund

This fund was established with the primary objective of redeeming certain loans in full on the redemption date with only the interest being payable six monthly.

5.8 Trust Funds

The fund was established for a specific purpose. Council may not use these funds for any other purposes.

6. Provisions

Provisions are made to meet liabilities or contingencies, known at the time of the balance sheet, but for which the amounts concerned cannot be estimated with reasonable certainty. Provisions, which represent a reduction in the value of the assets concerned, are in the applicable notes deducted directly from the total of the assets concerned and are not therefore shown separately in note 12.

7. Retirement Benefits

Council and its employees contribute to the Cape Joint Pension Fund and SALA. Councillors contribute to the Pension Fund for Councillors.

The retirement benefit plan is subject to the Pensions Act of 1956 with pensions being calculated on the final pensionable remuneration paid. Current contributions are charged against operating income on the basis of current service cost. Unfavourable experience adjustments and the cost of insurance of increased benefits is written off over the smallest of the remaining service period of employees or five years. Favourable experience adjustments are retained in the retirement benefit plan.

6. Surpluses and deficits

Any surpluses or deficits arising from the operation of electricity and water services are transferred to Rates and General Services.

7. Treatment of administration and other overhead expenses

The cost of internal support is transferred to the different services in accordance with the Institute Report on Accounting for Support Services (1990).

8. Leased assets

The Council does not have any leased assets.

9. Investments

Investments are shown at the lower of cost or market value if a permanent decline in the value occurred. Investments are made in accordance with Circular no LG/PB/31/1992 of 28 September 1992 and Circular no C/35/1994 of 13 July 1994 as issued by Provincial Administration - Community Service Branch.

10. Deferred charges

The council has no deferred charges.

11. Income recognition

13.1 Electricity and water billings

Meters in all areas and on plots with high voltage supply are read and billed monthly.

13.2 Assessment rates

Emthanjeni Municipality applies a differential tariff rating system.. In terms of this system assessment rates are levied on the land value of the property. Businesses also pay a small amount for parking. Discount is given based on conditions relating to age and income.

14.3 Other income

Income from services like refuse removal and sewerage, which are recouped through debtors, are recognised as soon as such services are debited against the accounts. Income from smaller services, licences or monies are recognised when they are paid.

15 Consolidated Loans Fund

The capital resources of the Consolidated Loan Fund consist of both external and internal loans. Advances are made to borrowing departments at an interest rate equal to the cost of the Fund's capital requirements and are repaid over the useful life of the asset acquired.

VERSLAG VAN DIE HOOF FINANSIëLE BEAMPTE

1. Inleiding

Dit is vir my aangenaam om 'n beknopte oorsig oor die afgelope finansiële jaar se bedryfsresultate te gee.

Die 2005 finansiële jaar het 'n bedryfsurpus van R3 957 883 gereasiseer. Met inagneming van die jaar se aanwendings het die bedryfsoorskot gegroei tot R13 219 589. Die grootste komponent van die oorskot is egter vervat in handelsdebiteure en verteenwoordig nie kontant nie.

Debiteure

1.1.1) Handelsdebiteure het afgeneem van R32 313 201 na R27 761 786, wat 'n afname van 14.09% beteken. Die voorsiening vir oninbare skuld beloop tans R10 560 408 wat 38% van totale debiteure verteenwoordig. 'n Totale bedrae van R13 230 263 op debiteure saldo was afgeskryf gedurende die jaar.

Bank

Die oortrokke kasboeksaldo het met R2 968 102 toegeneem vanaf R1 735 227 na R4 703 329.

2. Bedryfsresultate

Inkomste	Werklike 2004 R	Werklike 2005 R	Afwyking 2004 teenoor 2005 %	Begroot 2005 R	Afwyking Werklike/Begroot %
Begin oorskot	3,310,902	5,239,318			
Bedryfsinkomste vir die jaar	50,559,599	53,571,469	5.96%	56,901,216	-5.85%
Eind Tekort					
Totaal	53,870,501	58,810,787		56,901,216	
Begin oorskot					
Bedryfsuitgawe vir die jaar	48,073,736	52,613,586	9.44%	56,901,216	-7.54%
Diverse Oodragte	-557,448	3,485,173			
Eind oorskot	5,239,318	9,682,374			

2.1 BEDRYFSUITGAWES

As gevolg van die uitstaande debiteure en ook die heersende ekonomiese klimaat was `n streng beleid op uitgawes toegepas.

Hieronder is `n uiteensetting van die begrote bedryfsuitgawes teenoor die werklike:

	Salarisse Lone & Toelaes R	Algemene Uitgawes R	Instand-houding R	Kapitaal Onkoste R	Kapitaal uit Inkomste R	Bydraes R
Begroot	24,302,897	23,593,103	3,167,717	1,772,041	3,203,500	861,958
Werklike	20,996,650	22,159,035	2,355,496	1,254,147	2,086,300	3,761,958
Verskil	3,306,247	1,434,068	812,221	517,894	1,117,200	-2,900,000
% (Oor)/Onder	13.60%	6.08%	25.64%	29.23%	34.87%	-336.44%

2.2 Handelsdienste (Elektrisiteit)

Die elektrisiteitsdiens het 'n surplus van R3 937 642 gerealiseer teenoor 'n begrote surplus van R5 051 717. Hierdie tekort kan hoofsaaklik toegeskryf word aan 'n ooroptimistiese inkomste skatting wat nie gerealiseer het nie.

Die waterdiens het 'n surplus van R5 927 036 gerealiseer teenoor die begrote syfer van R7 382 009. Hierdie tekort kan hoofsaaklik toegeskryf word aan 'n ooroptimistiese inkomste skatting wat nie gerealiseer het nie.

2.3 Behuisingsdienste

Behuisingsdienste het met `n surplus van R24 978 afgesluit.

2.4 Ekonomiese Dienste

Riool en Vullisverwydering

Riool het met `n surplus van R3 133 736 afgesluit en Vullis met `n surplus van R1 607 716.

2.5 Belasting en Algemene Dienste

Die drie grootste gebruikers van raadsfondse in hierdie afdeling was Strate wat 'n tekort van R3 619 732 gehad het, Administrasie met R8 616 317 en Raadsuitgawes met 'n tekort van R1 862 005.

Belasting en Algemene Dienste

	Werklike	Werklike	Afwyking	Begroot	Afwyking
	2004	2005	2004/2005	2005	Werklike/begroot
	R		%	R	%
Inkomste	25,902,432	27,888,562	7.67%	26,642,268	-4.68%
Uitgawe	29,662,399	36,820,336	24.13%	39,050,850	5.71%
Oorskot/(Tekort)	-3,759,967	-8,931,774	137.55%	-12,408,582	28.02%
Tekort as % van					
totale inkomste	-14.52%	-32.03%		-46.57%	

Behuising

	Werklike	Werklike	Afwyking	Begroot	Afwyking
	2004	2005	2004/2005	2005	Werklike/begroot
	R	R	%	R	%
Inkomste	45,299	50,334	11.11%	2,000	-2416.68%
Uitgawe	20,475	25,356	23.84%	27,144	6.59%
Oorskot/(Tekort)	24,824	24,978	0.62%	-25,144	199.34%
Oorskot/(Tekort) as %					
van totale inkomste	54.80%	49.62%		-1257.20%	

Handelsdienste

Die aankooppryse van Water en Elektrisiteit word voorskriftelik gedoen vanaf ESKOM asook die privaatwater weens die kontrakte wat bestaan. Elektrisiteit tariewe word deur die NER voorgeskryf.

Hieronder volg opsommings van die bedryfsresultate van die twee Handelsdienste:

Water

	Werklike	Werklike	Afwyking	Begroot	Afwyking
	2004	2005	2004/2005	2005	Werklike/begroot
	R	R	R	R	%
Inkomste	8,096,120	8,336,237	2.97%	10,501,616	20.62%
Uitgawe	3,908,465	2,409,200	-38.36%	3,119,607	22.77%
Oorskot/(Tekort)	4,187,655	5,927,036	41.54%	7,382,009	19.71%
Oorskot/(Tekort) as %					
van totale inkomste	51.72%	71.10%		70.29%	

Elektrisiteit

	Werklike	Werklike	Afwyking	Begroot	Afwyking
	2004	2005	2004/2005	2005	Werklike/begroot
	R	R	R	R	%
Inkomste	16,515,748	17,296,337	4.73%	19,755,332	12.45%
Uitgawe	14,482,397	13,358,694	-7.76%	14,703,615	9.15%
Oorskot	2,033,351	3,937,642	93.65%	5,051,717	22.05%
Oorskot as % van					
totale inkomste	12.31%	22.77%		25.57%	

3. Kapitaaluitgawes en finansiering

	Werklike 2004/2005 R	Begroot 2004/2005 R	Werklike 2004/2005 R
Belasting Algemeen	0	179,000	
Raadsvoertuie	0	0	
Grond	0	80,000	142,634
Geboue	7,776,300	128,500	19,665
Sportgronde en Parke	-	48,500	266,855
Strate	46,340,954	1,325,000	2,273,429
Swembad	0	0	
Riolering	6,385,689	31,000	1,441,223
Saniteit	-	40,000	1,870,608
Meubels & Toerusting	0	0	
Bedryfstoerusting	0	0	
Mziwabantu	0	0	
Verkeerstekens	0	0	
Behuising	-	0	93,138
Water	2,052,235	250,000	1,281,619
Elektrisiteit	32,284,446	298,000	695,625
Ander	7,441,979	2,595,541	245,775
Totaal	102,281,603	4,975,541	8,330,571

Hulpbronne wat gebruik is om die vaste bates te finansier, was die volgende:

	Begroot 2003/2004 R	Begroot 2004/2005 R	Werklik 2004/2005 R
Skenking	102,281,603	4,975,541	2,584,343
Bydraes uit bedyfsinkomste	0	0	2,417,613
Lenings opgeneem			3,659,928
Totaal	102,281,603	4,975,541	8,661,884

4. Eksterne Lenings, beleggings en kontant

Op 30 Junie 2005 het die uitstaande eksterne lenings R10 473 385 (R7 389 359 in 2004) en interne lenings R681 838 (R768 388 in 2004).

Meer besonderhede aangaande lenings en beleggings word in aantekeninge 4 en 7 en aanhangsel B tot die finansiële state getoon.

n Belegging van R4 000 000 word as kollaterale sekuriteit vir die raad se oortrokke bankrekening gehou.

5. Buitengewone items

n Vergoedingspakket van R500 000 was aan die vorige Munisipale Bestuurder betaal.
n Bedrag van R31 234 was gerapporteer as verlore(gesteel) by motorregistrasies (De Aar), R16000 is alreeds terugbetaal en die res sal verhaal word van doe pensioenfonds van die werknemer. Werknemer het bedank toe hy intern aangekla is. Saak is by polisie aangegee en word steeds ondersoek.

6. Fondse en Reserwes

Meer besonderhede aangaande fondse en reserwes word in aantekeninge 1 tot 3 en aanhangsel A gegee.

Ter afsluiting wil ek net my bedanking uitspreek teenoor die Raad, Munisipale Bestuurder, Departementshoofde en personeel vir hulle ondersteuning

Dankie

Hoof Finansiele Beampte

19/04/2005
Datum

REPORT OF THE CHIEF FINANCIAL OFFICER

1. Introduction

It is my pleasure to present an overview of the operating results for the year ended 30 June 2005.

The 2005 financial year generated an operating surplus of R3 957 883. Taking the year appropriations into account, the nett surplus has increased to R13 219 589. The largest component of this surplus is however captured in outstanding debtors and does not constitute cash on hand.

Debtors

1) Trade debtors decreased from R32 313 201 to R27 761 786, a decrease of 14.09%.
   The provision for bad debts amounted to R10 560 408 which accounts for 38% of total outstanding debtors. A total amount of R13 230 263 in unrecoverable debtors balances was written off during the year.

Bank

The bank overdraft increased with R2 968 102 from R1 735 277 to R 4 703 329.

2. Operating results

Income	Actual	Actual	Variance	Budget	Variance
	2004	2005	2004/2005	2005	Actual/Budget
	R	R	%	R	%
Opening surplus	3,310,902	5,239,317		0	
Operating income for the year	50,559,599	53,571,469	5.96%	56,901,216	-5.85%
Closing deficit					
Total	53,870,501	58,810,786		56,901,216	
Opening deficit					
Operating expenditure for the year	48,073,736	52,613,586	9.44%	56,901,216	-7.54%
Sundry transfers	-557,448	3,485,173			
Closing surplus	5,239,317	9,682,373		0	

2.1 OPERATING EXPENSES

Outstanding debtors, as well as the current economic situation, resulted in stringent control over expenditure. Follow is a summary of budgeted operating expenditure against actual expenditure.

	Salaries wages & allowances R	General Expenses R	Maintenance R	Capital charges R	Capital from Income R	Contri-butions R
Budget	24,302,897	23,593,103	3,167,717	1,772,041	3,203,500	861,958
Actual	20,996,650	22,159,035	2,355,496	1,254,147	2,086,300	3,761,958
Difference	3,306,247	1,434,068	812,221	517,894	1,117,200	-2,900,000
% (Over)/Under	13.60%	6.08%	25.64%	29.23%	34.87%	-336.44%

2.2 Trading services (Electricity)

The Electricity servicehas realised a surplus of R3 937 642 against a budgeted surplus of R5 051 717. This can be attributed to an overoptimistic income estimate which did not realise.

Water services realised a surplus of R5 927 036 against a budgeted R7 382 009. This can also be attributed to an overoptimistic income estimate which did not realise.

2.3 Housing services

Housing services realised a surplus of R24 978 for the financial year.

2.4 Economic services

Sewerage and refuse

Sewerage closed with a surplus of R3 133 736 and refuse closed with a surplus of R1 607 716.

2.5 Rates and general services

The three largest consumers of council funds in this category were Streets with a deficit of R3 619 732, Administration with R8 616 317 and Council expenses with a deficit of R1 862 005.

Rates and general services

	Actual 2004 R	Actual 2005 R	Variance 2004/2005 %	Budget 2005 R	Variance Actual/Budget %
Income	25,902,432	27,888,562	7.67%	26,642,268	-4.68%
Expenditure	29,662,399	36,820,336	24.13%	39,050,850	5.71%
Surplus/(Deficit)	-3,759,967	-8,931,774	137.55%	-12,408,582	28.02%
Surplus/(Deficit) as					
% of total income	-14.52%	-32.03%		-46.57%	

Housing

	Actual 2004 R	Actual 2005 R	Variance 2004/2005 %	Budget 2005 R	Variance Actual/Budget %
Income	45,299	50,334	11.11%	2,000	-2416.68%
Expenditure	20,475	25,356	23.84%	27,144	6.59%
Surplus/(Deficit)	24,824	24,978	0.62%	-25,144	199.34%
Surplus/(Deficit) as					
% of total income	54.80%	49.62%		-1257.20%	

Trading services

The bulk purchase of water and electricity are regulated by ESCOM, as well as the private water as a result of existing contracts. Electricity tariff are regulated by the NER.

Following is a summary of the operating results of the two trading services:

Water

	Actual 2004 R	Actual 2005 R	Variance 2004/2005 R	Budget 2005 R	Variance Actual/Budget %
Income	8,096,120	8,336,237	2.97%	10,501,616	20.62%
Expenditure	3,908,465	2,409,200	-38.36%	3,119,607	22.77%
Surplus/(Deficit)	4,187,655	5,927,036	41.54%	7,382,009	19.71%
Surplus/(Deficit) as					
% of total income	51.72%	71.10%		70.29%	

Electricity

	Actual 2004 R	Actual 2005 R	Variance 2004/2005 R	Budget 2005 R	Variance Actual/Budget %
Income	16,515,748	17,296,337	4.73%	19,755,332	12.45%
Expenditure	14,482,397	13,358,694	-7.76%	14,703,615	9.15%
Surplus/(Deficit)	2,033,351	3,937,642	93.65%	5,051,717	22.05%
Surplus/(Deficit) as					
% of total income	12.31%	22.77%		25.57%	

3. Capital expenditure and financing

	Actual 2003/2004 R	Budget 2004/2005 R	Actual 2004/2005 R
Rates and general	-	179,000	-
Council vehicles	-	-	-
Land	-	80,000	142,634
Buildings	7,776,300	128,500	19,665
Parks and recreation	-	48,500	266,855
Streets	46,340,954	1,325,000	2,273,429
Swimming pool	-	-	-
Sewerage	6,385,689	31,000	1,441,223
Sanitary	-	40,000	1,870,608
Furniture and equipment	-	-	-
Operating equipment	-	-	-
Mziwabantu	-	-	-
Traffic signs	-	-	-
Housing	-	-	93,138
Water	2,052,235	250,000	1,281,619
Electricity	32,284,446	298,000	695,625
Other	7,441,979	2,595,541	245,775
Total	102,281,603	4,975,541	8,330,571

Resources used to financed fixed assets are as follow:

	Actual 2003/2004 R	Budget 2004/2005 R	Actual 2004/2005 R
Donations	102,281,603	4,975,541	2,584,343
Contributions from operating income	0	0	2,417,613
Loans			3,659,928
Total	102,281,603	4,975,541	8,661,884

4. External loans, investments and cash

On 30 June 2005 external loans amounted to R10 473 385 (R7 389 359 in 2004) and internal loans amounted to R681 838 (R768 388 in 2004).

More information regarding loans and investments are disclosed in notes (4 and 7) and Appendix B' to the financial statements.

An investment of R4 000 000 is ceded as collateral for councils bank overdraft.

5. Extraordinary items

A severance package of R500 000 was paid to the previous municipal manager.
An amount of R31 234 was reported as lost (stolen) at motor registrations (De Aar), R16 000 was refunded and the balance is being claimed against the pension fund of the employee. The employee resigned when he was charged internally, Case was reported to SAPS and is still being investigated by them.

6. Funds and reserves

All reserve and trust funds were written off.

More information regarding funds and reserves are disclosed in notes 1 to 3 and Appendix 'A' to the financial statements.

In conclusion I would like to express my appreciation to the Council, Municipal Manager, Departmental Heads and all other personnel for their support, co-operation and hard work during the past year.

Thank you

Chief Financial Officer

19/11/2005

Date

BALANSSTAAT SOOS OP 30 JUNIE 2005
BALANCE SHEET AS AT 30 JUNE 2005

	Aant Note	2004/2005	2003/2004
KAPITAAL AANGEWEND/ CAPITAL EMPLOYED			
FONDSE EN RESERWES/FUNDS AND RESERVES		17,936,870	17,410,523
Statutêre fondse en ander fondse/Statutory and other Funds	1	17,936,870	17,410,523
Reserwes/Reserves	2	-	-
OPGEHOOPTE TEKORT/ACCUMULATED DEFICIT ONAANGEWENDE INKOMSTE/RETAINED SURPLUS	18	9,682,374	5,239,318
		27,619,244	22,649,841
TRUSTFONDSE/TRUST FUNDS	3	-	-
LANGTERMYN VERPLIGTINGS/LONG-TERM LIABILITIES	4	9,803,657	6,719,093
VERBRUIKERSDEPOSITO'S/CONSUMER DEPOSITS	5	1,104,369	1,022,405
		38,527,270	30,391,339
AANWENDING VAN KAPITAAL EMPLOYMENT OF CAPITAL			
VASTE BATES/FIXED ASSETS	6	11,155,224	8,524,741
BELEGGINGS/INVESTMENTS			
LANGTERMYN DEBITEURE/LONG-TERM DEBTORS	8	143,587	198,744
		11,298,811	8,723,485
NETTO BEDRYFSBATES /(LASTE)/ NET CURRENT ASSETS(LIABILITIES)		27,228,459	21,667,854
BEDRYFSBATES/CURRENT ASSETS		42,911,012	42,358,461
Voorraad/Stock	9	453,977	434,036
Debiteure/Debtors	10	32,436,291	33,525,931
Beleggings/ Investments	7	10,009,748	8,320,933
Langtermyndebiteure: Korttermyn gedeelte/Long-term debtors: S	8	9,996	75,826
Bank		-	-
Kontant/Cash		1,000	1,735
BEDRYFSLASTE/CURRENT LIABILITIES		15,682,552	20,690,607
Krediteure/Creditors	13	9,520,777	17,596,030
Voorsienings/Provisions	12	788,719	689,084
Lenings : Korttermyn gedeelte		-	-
Loans : Short term portion	4	669,728	670,266
Bankoortrekking/Bank overdraft		4,703,329	1,735,227
		38,527,271	30,391,339

I Visser
Munisipale Bestuurder
Municipal Manager

E Faas
Hoof Finansiële Beampte
Chief Financial Officer

INKOMSTESTAAT VIR DIE BOEKJAAR GEëINDIG OP 30 JUNIE 2005
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2005

2003/2004 Werklike Inkomste Actual Income R	2003/2004 Werklike Uitgawe Actual Expenditure R	2003/2004 Oorskot/ (Tekort) Surplus/ Deficit R		2004/2005 Werklike Inkomste Actual Income R	2004/2005 Werklike Uitgawe Actual Expenditure R	2004/2005 Oorskot/ (Tekort) Surplus/ Deficit R	2004/2005 Begroting Oorskot /Tekort Budget Surplus/(Deficit) R
25,902,432	29,662,399	-3,759,967	**BELASTING & ALGEMENEDIENSTE/ RATES AND GENERAL SERVICES**	27,888,562	36,820,336	-8,931,774	-12,408,582
15,671,778	21,829,832	-6,158,054	Gemeenskapsdienste/Community services	17,310,592	29,528,011	-12,217,418	-13,592,391
595,579	1,749,431	-1,153,852	Gesubsidieerde dienste/Subsidised services	12,121	1,800,814	-1,788,694	-1,649,977
9,635,075	6,083,136	3,551,939	Ekonomiese dienste/Economic services	10,565,849	5,491,511	5,074,338	2,833,786
45,299	20,475	24,824	**BEHUISINGSDIENSTE/HOUSING SERVICES**	50,334	25,356	24,978	-25,144
24,611,868	18,390,862	6,221,006	**HANDELSDIENSTE/TRADING SERVICES**	25,632,573	15,767,895	9,864,678	12,433,726
50,559,599	48,073,736	2,485,863	**TOTAAL/TOTAL**	53,571,469	52,613,586	957,883	-
		-557,448	Aanwendings vir die jaar/Appropriations for the year				
			Netto Oorskot/ (Tekort) vir die jaar			3,485,173	
		1,928,415	Net Surplus/(Deficit) for the year				
						4,443,056	
			Onaangewende Oorskot /(Opgehoopte Tekort) begin van die jaar				
			Accumulated surplus/(Deficit)				
		3,310,903	beginning of the year				
						5,239,318	
			ONAANGEWENDE OORSKOT/(TEKORT) EINDE VAN JAAR				
			ACCUMULATED SURPLUS/(DEFICIT				
		5,239,318	END OF YEAR				
						9,682,374	

KONTANTVLOEISTAAT VIR DIE JAAR GEëINDIG OP 30 JUNIE 2005
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2005

	Aant Note	2004/2005	2003/2004
KONTANT TERUGGEHOU UIT BEDRYWIGHEDE			
CASH RETAINED FROM OPERATING ACTIVITIES		3,966,521	118,811,846
Kontant deur bedrywighede voortgebring/Cash generated by operations	19	11,883,738	2,550,491
Beleggingsinkomste/Investment income	17	1,705,373	1,804,494
(Toename)/afname in bedryfskapitaal/(Increase)/Decrease in working capital	20	-10,102,605	2,656,076
		3,486,507	7,011,061
Min: Eksterne rente betaal/Less External interest paid	17	830,641	1,414,213
Kontant beskikbaar uit bedrywighede/Cash available from operations		2,655,866	5,596,848
Kontantbydraes van die publiek en die staat/Cash contributions from public and State		1,310,655	91,976,943
Netto opbrengs uit verkoop van vaste bates/Net proceeds on disposal of fixed assets		-	21,238,055
KONTANT GEBRUIK VIR BELEGGINGSBEDRYWIGHEDE			
CASH UTILISED IN INVESTING ACTIVITIES			
Belegging in vaste bates/Investment in Fixed assets		-8,330,569	-112,673,393
NETTO KONTANTVLOEI/NET CASH FLOW		-4,364,048	6,138,453
KONTANTUITWERKING VAN FINANSIERINGSBEDRYWIGHEDE			
CASH EFFECTS OF FINANCIAL ACTIVITIES			
Toename/(Afname) in langtermynlenings/Increase/(Decrease) in long-term loans	21	3,084,026	-580,415
Toename/(Afname) in korttermynlenings/Increase/(Decrease in short-term loans		-	-
(Toename)/Afname in kontantbeleggings/(Increase)/Decrease in cash investments	22	-1,688,815	-422,023
(Toename)/Afname in kontant/(Increase)/Decrease in cash	23	2,968,837	-5,136,015
NETTO KONTANT (VOORTGEBRING)/GEBRUIK/NET CASH (GENERATED)/UTILISED		4,364,048	-6,138,453

AANTEKENINGE TOT DIE FINANSIëLE STATE SOOS OP 30 JUNIE 2005
NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

	2004/2005	2003/2004
1. Statutêre fondse en ander fondse: **Statutory funds and other funds:**		
Wentelfonds/Revolving fund		
Delgingsfonds/Redemption fund	15,756,190	15,367,092
Hondebelastingsfonds/Dog Tax fund	1,001,205	975,278
	120,711	110,846
Ander Fondse/Other Funds		
LED Veg Tunnel		
Finance Management Grant	393,032	-
	665,733	957,307
	17,936,870	17,410,523
(Sien aanhangsel "A" vir meer besonderhede) (Refer to appendix "A" for more details)		
2. Reserwes: **Reserves:**		
	-	-
(Sien aanhangsel "A" vir meer besonderhede) (Refer to appendix "A" for more details)		
3. Trustfondse: **Trust funds:**		
	-	-
(Sien aanhangsel "A" vir meer besonderhede) (Refer to appendix "A" for more details)		

AANTEKENINGE TOT DIE FINANSIëLE STATE SOOS OP 30 JUNIE 2005
NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

	2004/2005	2003/2004
4. Langtermynverpligtinge **Long-term Liabilities**		
Staatslenings/Government loans	636,362	683,436
Privaat lenings/Private loans	-	245,000
DBSA	9,837,023	6,460,923
	10,473,385	7,389,359
	-669,728	-670,266
Min: Onbestede geld/Less: Unspent monies	-	-
Min: Korttermyngedeelte/Less: Short-term portion	-669,728	-670,266
	9,803,657	6,719,093

Eksterne Lenings is by verskeie Staats goedgekeurde instansies en van die Staat opgeneem en termyne wissel van 5 tot 30 jaar en rentekoerse van 2% tot 15.85% /
External loans were advanced by various Government approved institutions are repayable over periods from 5 to 30 years. They bear interest at rates from 2% to 15.85%.

Interne lenings word opgeneem uit die Wentelfonds en termyne wissel van 5 tot 25 jaar en rentekoerse van 3% tot 13%/
Internal loans are advanced by the Revolving fund and terms fluctuate from 5 to 25 years. Interest rates are between 3% to 13%.

Geen lenings word deur bates van Emthanjeni Munisipaliteit verseker nie.
None of the loans are secured by any assets of the Council.

Sien aanhangsel B vir meer besonderhede.
Refer to appendix B for more information.

5. Verbruikersdeposito's: dienste **Consumer Deposits**		
Elektrisiteit en water/Electricity and water	1,104,369	1,022,405
6. Vaste bates: **Fixed Assets**		
Vaste bates aan die begin van die jaar/ Fixed Assets at the beginning of the year	174,462,338	83,027,000
Vaste bates gedurende die jaar aangeskaf of ontvang/ Fixed Assets acquired during the year+B16	8,330,569	112,673,393
Min: Bates gedurende die jaar afgeskryf,oorgeplaas of mee weggedoen/ Less: Fixed Assets written off, transferred or sold	169,665	-21,238,055
Totale Vaste bates/Total fixed assets	182,623,243	174,462,338
Min: Lenings gedelg en ander kapitaalontvangstes Less: Loans redeemed and other capital receipts	-171,468,019	-165,937,596
Netto Vaste Bates/Net Fixed Assets	11,155,224	8,524,742

Sien aanhangsel C vir meer besonderhede.
Refer to Appendix C for more information.

AANTEKENINGE TOT DIE FINANSIËLE STATE SOOS OP 30 JUNIE 2005
NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

7. Beleggings
Investments

	2004/2005	2003/2004
Ongenoteerde beleggings teen bestuur se waardasie:		
Unlisted investments at management valuation:		
Wentelfonds/Revolving fund	1,511,432	1,092,646
Leningsdelgingsfonds/Loan redemption fund	317,249	291,313
Hondebelasting/Dog tax	120,711	110,846
Beleggings - Algemeen/Investments - General	6,060,365	6,826,128
	10,009,748	8,320,933
Gemiddelde opbrengskoers op Beleggings (Bruto)		
Average gross rate of return on investments	13.28%	13.28%

Omsendbrief nr C35/1994 gedateer 13/07/1994 wat deur Tak Gemeenskapsdienste uitgereik is, vereis van Plaaslike Owerhede om fondse wat nie onmiddelik benodig word nie, by voorgeskrewe instellings te belê. Die beleggingstydperke moet sodanig wees dat dit nie nodig sal wees om geld teen 'n boete rentekoers te leen ten einde verpligtinge na te kom nie.

Circular no C 35 of 1994 issued by Provincial Administration - Community Service Branch, requires local authorities to invest funds, which are not immediately required, with prescribed institutions and the period should be such that it will not be necesarry to borrow funds against the investment at a plenary rate to meet commitments.

Die oortrokke bankrekening word verseker deur bogenoemde beleggings en word vanweë die finansiële posisie van die Raad as langtermyn-aard geklassifiseer.
The above investments were ceded to secure the bank overdraft and are classified as long-term because of the financial situation of the Council.

8. Langtermyndebiteure:
Long-term debtors

Sentrale Karoo Skou/Central Karoo Show	42,940	53,103
De Aar Buiteklub/De Aar Country Club	110,510	8,705
Motorlenings/Motor vehicle loans	-	214,300
Studielenings/Study loans	133	-1,538
	153,584	274,570
Min: Korttermyngedeelte/Less: Short-term portion	-9,996	-75,826
	143,587	198,744

9. Voorraad:
Stock:

Voorraad word waardeer soos in aantekening 4 van die rekeningkundige beleid uiteengesit
Stock are valued as stated per note 4 of the accounting policies.

	453,977	434,035

10. Debiteure:
Debtors

Debiteure (Verbruikers)/Debtors(Consumers)	Current	30 Days	60 Days	90 Days	Total	
- Water					32,966,358	52,803,672
- Electricity/Elektrisiteit	-2,640	532,920	343,627	7,924,408	8,798,315	-
- Sewerage/Riool	2,281	1,122,733	394,940	5,068,854	6,588,808	-
- Refuse/Vullis verwydering	-52,351	363,943	222,068	7,051,742	7,585,402	-
- Property Tax/ Erf Belasting	5,189	191,464	122,396	4,869,941	5,188,990	-
	8,488	326,686	119,507	4,350,163	4,804,844	-
Ander Debiteure/ Other Debtors						
Previous Hanover and Britstown accounts						
Housing	1,807	180	1	2,392,470	2,394,458	-
Rental	-157,918	19,287	19,462	6,115,945	5,996,776	-
Commonage	157,653	956	735	90,936	250,280	-
Other debtors	1	11,875	29,356	248,143	289,375	-
	294	839	156	152,842	154,131	-
					42,051,379	-
Less: Vat on debtors balances/ Min: BTW op debiteure saldos					-3,729,185	-
Min: Voorsiening vir slegte skulde/Less. Provision for bad debts					-10,560,408	-20,496,671
					27,761,786	32,313,201
Diverse/Sundry						
Salarisse debiteure/Salaries debtors					2,719,465	804,704
Consumers Deposit/Credit Susp Genr Cred					111,771	388,867
Britstown 130 House/Huise					26,058	19,159
Transfer bonanza					109,389	-
Kareeville sewerage network					9,488	-
De Aar East 100 houses/huise					16,134	-
Barcelona 85 Houses/Huise					596,594	-
EPWP					287,072	-
Environmental health					401,312	-
Local transitional fund					1,169	-
Intergration suspense accounts					251,428	-
Creditors control account					46,713	-
IDP Job creation					77,212	-
Mzwabantu electricity					12,126	-
					8,582	-
					32,436,291	33,525,931

Consumer Accounts Written Off for the year amounted to R13 230 263.39

ANTEKENINGE TOT DIE FINANSIëLE STATE SOOS OP 30 JUNIE 2005
NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

	2004/2005	2003/2004
11. Uitgestelde Koste: **Deferred charges:**		
Geen uitgestelde koste vir die jaar nie. No deferred charges for the year	-	-
12. Voorsienings: **Provisions:**		
Voorsiening vir ouditgelde/Provision for Audit	155,421	30,851
Verlofvoorsienings/Leave reserve	633,298	658,233
	788,719	689,084
13. Krediteure: **Creditors:**		
Handelskrediteure/Trade Creditors	2,661,742	485,557
Ander Dēposito`s/Sundry Deposits	92,970	52,880
Vooruitontvangstes/Payments in advance	709,866	944,750
Afwagrekening/Suspense account - Capital Project creditors	1,415,030	10,634,232
- Dry Sanitation - Hanover	90,418	-
- Sportgrond improvement	39,545	-
- Fencing cemetry	35,123	-
- Britstown bulk water supply	91,455	-
- Hanover bulk water supply	27,429	-
- Electricification/	131,060	-
- San brt& hnv draught relief	1,000,000	-
Ander diverse krediteure	117,449	-
Ongespandeerde Leningsgeld/Unspent Loan money	-	954,853
BTW kontrole	442,183	4,523,758
STD Bank Control Account	-	-
Unknown deposits	3,923,443	-
Suspense Contra Account	158,094	-
	9,520,777	17,596,030

14 Eiendomsbelasting:
Assessment Rates:

	Grond Waardasie/ Land Valuation on 2001/07/01	Werklike Inkomste Actual Income 2004/2005	Werklike Inkomste Actual Income 2003/2004
Belasbare Eiendom:/Taxable Property	210,371,102	6,981,079	6,240,594
Nie Belasbare Eiendom Rente/Non-taxable property	2,375,050	-	-
Gemiddelde waarde per R1/Average value per R1	0.0332	0.0297	

Die waardering van grond vind elke 10 jaar plaas en die algemene skatting het op 1 Julie 1994 in werking getree. Die koers was 2.86c in die Rand op die waarde van verbeteringe. `n Korting van 40% is aan pensioentrekkers en behoeftiges met `n inkomste van R21 360 en minder per jaar toegestaan.
The valuation of land is performed every ten years and the general estimates came into effect on 1 July 1994. The basic rate was 2.86c in the Rand on the value of improvements. A rebate of 40% was granted to pensioners and indigent persons with an income of R21 360 and less per year.

AANTEKENINGE TOT DIE FINANSIëLE STATE SOOS OP 30 JUNIE 2005
NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

	2004/2005	2003/2004
15 Raadslede se Toelaes: Councillors' Allowances:		
Burgermeester se Toelae/Mayor's allowance	278,864	237,003
Speaker allowance	232,696	196,986
Raadslede se Toelae/Councillor's allowance	833,433	627,543
Pensioenbydrae van Raadslede/Pension contribution Councillors	122,138	108,072
Mediese fondsbydrae/Medical Aid contribution Councillors	66,636	65,215
	1,533,767	1,234,819
Bestuurders se Vergoeding/ Managers' Remuneration		
Munisipale Bestuurder	541,407	-
Finansiele Bestuurder	486,404	-
	1,027,811	-
16 Ouditeursvergoeding: Auditors' Remuneration:		
Ouditgelde/Audit fees	187,388	294,300
17 Finansieringstransaksies: Financial transactions:		
Totale eksterne rente verdien of betaal/		
Total external interest earned or paid		
Rente verdien: Beleggings en debiteure		
Interest earned: Investments and debtors	1,705,373	1,804,494
Rente betaal/Interest paid	-830,641	-1,414,213
	874,733	390,281
Kapitaalkoste teen bedryfsrekening gedebiteer		
Capital charges debited to operating account		
Rente: Ekstern/Interest: External	830,641	887,700
Rente: Intern/Interest: Internal	82,137	90,941
Delging: Ekstern/Redemption: External	575,909	597,478
Delging: Intern/Redemption: Internal	86,550	171,599
Plus Delging: Delgingsfonds/Plus Redemption: Redemption fund	-	-
	1,575,237	1,747,718
18 Aanwendings Appropriations:		
Aanwendingsrekening/Appropriations		
Onaangewende oorskot aan die begin van die jaar/		
Accumulated surplus at the beginning of the year	5,239,321	3,310,906
Surplus/ (Tekort) vir die jaar/Surplus/(Deficit) for the year	957,883	2,485,863
Aansuiwerings van vorige jaar/Prior year adjustments	3,485,173	-557,448
	9,682,377	5,239,321
Bedryfsrekening/Operating account		
Kapitaaluitgawe/Capital expenditure	300,000	
Bydrae: Wentelfonds/Contributions: Revolving fund	-	343,240
Bydrae: Verlofreserwefonds/Contribution: Leave reserve	150,000	-
Bydrae: Ouditgelde/Contribution: Audit Fees	311,958	-
	761,958	343,240

AANTEKENINGE TOT DIE FINANSIëLE STATE SOOS OP 30 JUNIE 2005
NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

	2004/2005	2003/2004
19 Kontant deur bedrywighede voortgebring **Cash generated by operations:**		
(Tekort) / Oorskot vir die jaar/(Deficit)/Surplus for the year	957,883	2,485,863
Aansuiwerings tov. vorige jare se bedryfstransaksies/ Adjustments in respect of previous years	3,485,173	-557,448
Aanwendings teen Inkomste gedebiteer:/ Appropriations charged against income	5,848,258	352,639
Kapitaaluitgawe/Capital expenditure	-	-
Wentelfonds/Revolving fund	-	343,240
Voorsienings en reserwes/Provisions and reserves	3,761,958	9,399
Vaste bates/Fixed Assets	2,086,300	-
Kapitaal Uitgawes/Capital Expenditure	1,592,425	269,437
Rente Betaal:/Interest Paid:		
Interne Fondse/Internal Funds	82,137	90,941
Eksterne Lenings/External loans	830,641	887,700
Delging Betaal/Redemption paid		
Interne Fondse/Internal Funds	86,550	– 171,599
Eksterne Lenings/External loans	575,909	597,478
Nie bedryfsinkomste uit fondse/Non-operating income from funds	1,783,700	12,279
Nie Bedryfsuitgawes/Non-operating expenditure		
Fondse Gedebiteer/Funds debited		
Voorsienings en Reserwe Gedebiteer/Provisions and reserves debited	-1,766,512	-1,490,560
	11,883,738	2,550,491
20. (Toename) / Afname in Bedryfskapitaal **(Increase) /Decrease in working capital**		
(Toename) / Afname in Voorraad/(Increas)/Decrease in stock	-19,941	-196,466
(Toename) / Afname in Debiteure/(Increase)/Decrease in Debtors	-2,089,374	-4,242,925
Toename / (Afname) in Krediteure/Increase/(Decrease) in Creditors	-7,993,290	6,889,215
	-10,102,605	2,449,824
21. Toename / (Afname) in Langtermynlenings (Ekstern) **Increase/(Decrease) in long-term loans (External)**		
Lenings opgeneem /Loans raised	3,659,935	-
Min: Lenings terugbetaal /Less: Loans repaid	-575,909	-580,415
	3,084,026	-580,415

AANTEKENINGE TOT DIE FINANSIëLE STATE SOOS OP 30 JUNIE 2005
NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

	2004/2005	2003/2004
22 (Toename) / Afname in Eksterne Kontantbeleggings (Increase) /Decrease in external investments		
Beleggings gemaak/Investments made	-1,688,815	-
Beleggings gerealiseer/Investments realised	-	422,023
	-1,688,815	422,023
23 (Toename) / Afname in kontant voorhande (Increase) /Decrease in cash on hand		
Banksaldo - Begin van die jaar:/ Cash and Bank balance at beginning of year	-1,733,492	-3,881,749
Min: Saldo aan die einde van die jaar:/ Less: Cash balances at the end of the year	-4,702,329	-1,552,858
	2,968,837	-2,328,891

24 Aftreevoordele
Retirement Benefits

Die amptenare behoort aan die Sala, Kaapse Gemeenskaplike Pensioen en Aftreefondse, en die Raadslede aan die Kaapse Gemeenskaplike Pensioen en Aftreefonds.Die aktuariële waarde kan by navraag voorgelê word.
The officials are members of the Cape Joint Pension Fund, Imatu and SAMWU. The acturial valuation can be provided on request.

25 Voorwaardelike aanspreeklikheid en Kontraktuele verpligtings
Contingent liabilities and contractual obligations

Die Raad het geen kontraktuele verpligtinge nie.
The Council has no contingent liabilities.

26 Kapitaalverpligtings/
Capital commitments

Verpligtings ten opsigte van kapitaaluitgawe:/ Commitments in respect of capital expenditure:		
- Goedgekeur en gekontrakteer/Approved and contracted	-	-
- Goedgekeur maar nog nie gekontrakteer/Approved but not contracted	-	-
	-	-
Hierdie uitgawe sal uit die volgende gefinansier word:/ This expenses will be financed from:		
- Interne bronne/Internal sources	-	-
- Eksterne bronne/External sources	-	-
	-	-

AANTEKENINGE TOT DIE FINANSIëLE STATE SOOS OP 30 JUNIE 2005
NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

	2004/2005	2003/2004
27. Wentelfonds/ Revolving Fund		
Uitstaande voorskote aan leendienste/ Outstanding advances to borrowing services		
Opgehoopte fonds /Accumulated Funds	15,756,190	16,324,399
Min: Interne voorskotte aan leendienste Less: Internal advances to borrowing services	15,756,190	16,324,399
	-	-

(Verwys na Aanhangsel B vir meer besonderhede)
(Refer to appendix B for more details)

AANHANGSEL A/APPENDIX A

Opgehoopte Fondse, Trustfondse, Reserwes en Voorsienings
Accumulated Funds, Trust funds, Reserves and Provisions

	Saldo op/ Balance at 2004/06/30	Bydraes Gedurende die jaar/ Contributions during the year	Rente op beleggings/ Interest on investments	Ander Inkomste/ Other Income	Uitgawes gedurende die jaar Expenditure during the year	Saldo op/ Balance at 2005/06/30
	R	R	R	R	R	R
Opgehoopte Fonds:/Accumulated Funds:						
Wentelfonds/Revolving fund	15,367,092	-	111,046	283,700	5,648	15,756,190
Delging: Riool/Redemption: Sewerage	975,278	-	25,927	-	-	1,001,205
Hondebelasting/Dog Tax	110,846	-	9,865	-	-	120,711
Ander Fondse/Other Funds						
LED Veg Tunnel	-	-	-	1,500,000	1,106,968	393,032
Finance Management Grant	957,307	-	-	-	291,574	665,733
	17,410,523	-	146,838	1,783,700	1,404,190	17,936,870
Voorsienings:/Provisions:						
Verlofvoorsiening/Leave provision	658,232	150,000	-	-	174,934	633,298
Voorsiening vir ouditgelde/Provision for audit	30,851	311,958	-	-	187,388	155,421
Voorsiening vir slegte skuld:/Provisions for bad debts	20,490,671	300,000	-	-	13,230,263	7,560,408
	21,179,754	761,958	-	-	13,592,586	8,349,126
	38,590,277	761,958	146,838	1,783,700	14,996,775	26,285,997

AANHANGSEL B/APPENDIX B

Eksterne Lenings en Interne Voorskotte
External Loans and Internal Advances

	Interest rate/ Rente koers	Final payment/ Finale paaiment	Saldo op Balance at 2004/06/30	Gedurende die jaar ontvang Received during the year	Regstelling van opening saldo Correction of opening balance	Gedurende die jaar gedelg of afgeskryf Redeemed or writte off during the year	Saldo op Balance at 2005/06/30
EKSTERNE LENINGS/EXTERNAL LOANS							
Privaat lenings/Private loans	9.29%	2004/06/30	245,000	-	245,000	-	-
Staatslenings/Government loans	10.50%,15.25%	30/06/2009,30/06/2007	683,436	-	-	47,075	636,361.81
Ontwikkelingsbank van S.A	10.00%-12.00%	31/03/2016,31/03/2017,30/09/2010	6,460,923	3,659,935	43,135	240,700	9,837,023
			7,389,359	3,659,935	288,135	287,775	10,473,385
INTERNE VOORSKOTTE/INTERNAL ADVANCES							
Wentelfonds/Revolving fund			768,388	-	-	86,550	681,838
			768,388	-		86,550	681,838

AANHANGSEL C/APPENDIX C
ONTLEDING VAN VASTE BATES/ANALYSIS OF FIXED ASSETS

Uitgawe Expenditure 2004		Begroot Budgeted 2005	Saldo Balance 38,168	Uitgawe Expenditure 2005	Afgeskryf/ Oorgeplaas Written off/ transferred	Saldo Balance 30/06/2005
69,855,592	**Belasting en Algemene Dienste/ Rates and General Services**	-	103,603,593	6,260,187	169,665	109,694,115
59,686,624	*Gemeenskapsdienste/ Community Services*	-	73,510,974	2,681,502	169,665	76,022,812
-	Belasting en Algemeen/Rates and general	-	106,687	-	-	106,687
-	Grond/Land	-	756,420	142,634	-	899,054
4,726,110	Geboue/Buildings	-	12,167,667	19,665	-	12,187,332
46,340,954	Strate/Streets	-	47,224,629	2,273,429	-	49,498,058
247,879	Stormwater/Storm water	-	263,613	-	-	263,613
286,721	Meubels en Toerusting/Furniture and equipment	-	1,137,365	-	169,665	967,700
412,245	Bedryfstoerusting/Operating Equipment	-	2,800,729	-	-	2,800,729
7,449,988	Meent/Communal	-	7,451,310	-	-	7,451,310
200,000	Begraafplaas Oos/Cemetary East	-	224,254	234,121	-	458,375
22,727	Werkswinkel/Workshop	-	60,686	11,654	-	72,340
-	Ontwikkeling Indus/Geboue/Development Indus Buildings	-	901,779	-	-	901,779
-	Weerstasie/Weather station	-	294,750	-	-	294,750
-	Verkeerstekens/Traffic signs	-	36,658	-	-	36,658
-	Behuising	-	-	-	-	-
-	Gemeenskapsaal	-	-	-	-	-
-	Mziwabantu	-	-	-	-	-
-	Vliegveld	-	-	-	-	-
-	Biblioteek	-	-	-	-	-
-	Museum	-	4,280	-	-	4,280
-	Vellestoor	-	522	-	-	522
-	Woonpark	-	630	-	-	630
-	Burgerlike Beskerming	-	0	-	-	-
-	Ambulans	-	9,419	-	-	9,419
-	Voertuie/Masjienerie	-	69,577	-	-	69,577
-		-	-	-	-	-
197,770	*Gesubsidieerde dienste/Subsidised services*	-	2,230,049	266,855	-	2,496,903
-	Industriele Spoorlyn/Industrial railway line	-	556,761	-	-	556,761
197,770	Sportgronde en Parke/Parks and recreation grounds	-	1,161,040	266,855	-	1,427,895
-	Voertuigtoetsstasie/Motor vehicle test station	-	301,641	-	-	301,641
-	Swembad/Swimming Pool	-	210,607	-	-	210,607
9,971,198	*Ekonomiese dienste/Economic services*	-	27,862,570	3,311,830	-	31,174,400
3,285,509	Sanitêre Werke/Sanitary works	-	3,683,845	1,870,608	-	5,554,452
6,685,689	Riolering/Sewerage	-	24,178,726	1,441,223	-	25,619,948
3,935,860	**Behuisingsdienste/Housing services**	-	3,935,860	93,138	-	4,028,999
3,935,860		-	3,935,860	93,138	-	4,028,999
3,935,860	Sub Ekonomiese Behuising/Sub Economic Housing	-	3,935,860	93,138	-	4,028,999
38,881,941	**Handelsdienste/Trading services**	-	66,922,885	1,977,244	-	68,900,129
38,881,941		-	66,922,885	1,977,244	-	68,900,129
4,475,528	Water	-	18,388,000	1,281,619	-	19,669,619
34,406,413	Elektrisiteit/Electricity	-	48,534,884	695,625	-	49,230,510
112,673,393	**TOTALE VASTE BATES**	-	174,462,338	8,330,569	169,665	182,623,243
	TOTAL FIXED ASSETS					
-154,088,629	**Lenings afgelos en ander kapitaalontvangstes/**	-	-165,973,267	-5,664,416	169,665	-171,468,019
-154,088,629	**Loans redeemed and advances paid back**	-	-165,973,267	-5,664,416	169,665	-171,468,019
-9,151,188	Lenings gedelg en voorskotte terugbetaal/	-	-18,077,730	-662,460	-	-18,740,191
-	Loans redeemed and advances paid back	-	-	-	-	-
-36,978,826	Bydraes uit bedryfsinkomste/Contributions ex operating income	-	-37,901,188	-2,417,613	-	-40,318,801
-	Voorsiening en reserwes/Provisions and reserves	-	-	-	-	-
-	Lenings afgelos	-	-	-	-	-
-107,958,615	Skenking en subsidies/Grants and subsidies	-	-109,994,349	-2,584,343	169,665	-112,409,027
266,762,022	*Netto Vaste Bates/Net Fixed Assets*	-	8,489,071	2,666,153	-	11,155,224

AANHANGSEL D/APPENDIX D

Ontleding van Bedryfsinkomste en -Uitgawe vir die jaar geëindig 30 Junie 2005
Analysis of Operating Income and -Expenditure for the year ended 30 June 2005

Werklik Actual 2004 R		Werklik Actual 2005 R	Begroot Budgeted 2005 R
	Inkomste/Income		
	Staat en Provinsiale hulptoelaes en Subsidies/		
0	Government and Provincial grants	8,452,460	9,924,000
40,308,694	Bedryfs inkomste/Operating Income	42,778,792	45,349,066
6,240,594	Eiendomsbelasting/Rates	6,986,049	6,076,260
7,724,500	Verkoop van water/Sale of water	8,043,192	10,460,328
16,322,224	Verkoop van elektrisiteit/Sale of electricity	17,103,088	19,709,620
10,021,376	Ander dienste /Other services	10,646,463	9,102,858
425,694	Rente verdien	1,640,672	200,000
9,825,211	Ander inkomste	699,544	1,428,150
50,559,599		53,571,469	56,901,216
	Uitgawes/Expenditure		
20,389,753	Salarisse, lone en toelaes/Salaries, wages and allowances	20,996,650	24,302,897
19,370,299	Algemene onkoste/General expenses	22,159,035	23,593,103
8,405,405	- Aankoop van elektrisiteit/bulk electricity	9,344,813	9,852,539
463,836	- Aankoop van water/bulk water	377,467	556,208
10,501,058	- Ander algemene onkoste/Other general expenditure	12,436,755	13,184,356
2,136,806	Herstel en Onderhoudswerke/Repairs and maintenance	2,355,496	3,167,717
1,747,718	Kapitaalonkoste/Capital charges	1,254,147	1,772,041
-	Bydraes tot vaste bates/Contributions to fixed assets	2,086,300	3,203,500
4,429,161	Bydraes tot Fondse Reserwes en Voorsienings/Contributions	3,761,958	861,958
48,073,737	***Bruto Uitgawe/Gross Expenditure***	52,613,586	56,901,216

AANHANGSEL E/APPENDIX E
GEDETAILLEERDE INKOMSTESTAAT VIR DIE JAAR GEëINDIG 30 JUNIE 2005
DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNIE 2005

Werklike Inkomste Actual Income 2004 R	Werklike uitgawe Actual expenditure 2004 R	Oorskot/(Tekort) Surplus/(Deficit) 2004 R	#		Werklike Inkomste Actual income 2005 R	Werklike uitgawe Actual expenditure 2005 R	Oorskot/Surplus (Tekort/Deficit) 2005 R	Begroot Oorskot/ (Tekort) 00/01 Budget Surplus/ (Deficit) 03/04 R
25,902,432	29,662,399	-3,759,967		**Belasting en algemene dienste** **Rates and general services**	27,888,562	36,820,336	-8,931,774	-12,408,582
15,671,778	21,829,832	-6,158,054		*Gemeenskapsdienste/Community Services*	17,310,592	29,528,011	-12,217,418	-13,592,391
6,446,476	865,742	5,580,734		Eiendomsbelasting/Assessment rates	7,181,414	71,519	7,089,896	5,898,597
8,152,741	10,155,495	-2,002,754		Administrasie/Administration	160,400	8,776,717	-8,616,317	-9,787,727
661,265	1,453,487	-792,222		Algemene Uitgawes/General Expenses	9,209,208	9,567,273	-358,065	2,851,817
74,908	163,908	-89,000		Begraafplaas Wes/Cemetery West	-	-	-	-
7,182	84,270	-77,088		Begraafplaas Oos/Cemetery East	8,841	43,627	-34,786	-56,050
7,622	90,939	-83,317		Begraafplaas/Cemetery Nonz	8,611	92,444	-83,833	-106,438
8,045	396	7,649		Begraafplaas	93,563	490,932	-397,369	-566,750
-	-	-		Donasies/Donations	-	-	-	-
-	934,238	-934,238		Kantoor Uitgawes/Office expenditure	-	-17,224	17,224	-
29,547	199,661	-170,114		Stadsaal /Town hall	30,607	430,696	-400,089	-426,373
92,678	2,514,725	-2,422,047		Strate/Streets	2,083	3,621,815	-3,619,732	-4,202,661
22,767	388,921	-366,154		Swembad Wes/Swimming pool West	27,203	356,650	-329,447	-456,626
11,549	243,259	-231,710		Swembad Oos/Swimming pool East	10,294	149,355	-139,060	-310,323
121,919	754,367	-632,448		Verkeers Dept/Traffic Dept	542,550	833,611	-291,061	-757,738
-	400,604	-400,604		Werkswinkel/Workshop	-	434,203	-434,203	-521,267
10,585	167,940	-157,355		Gemeenskapsaal/Community hall	11,424	28,748	-17,324	-23,251
8,985	48,555	-39,570		Gemeenskapsaal/Community hall Nonz	3,829	55,794	-51,965	-54,772
3,660	10,266	-6,606		v/d Merwe Woonwapark/Caravan Park	14,266	24,070	-9,804	-12,322
-	7,128	-7,128		Oasis Woonwapark/Caravan Park	-	-	-	-
2,965	3,477	-512		Woonwapark	4,525	2,563	1,962	-2,269
-	672,927	-672,927		Parke/Parks	-	975,038	-975,038	-1,221,832
6,057	321,692	-315,635		Sport en Ontspanning/Sports and recreation	6,472	286,696	-280,223	-389,418
767	21,595	-20,828		Sport en Ontspan/ Sports and recreation - Nonz	229	69,960	-69,730	-70,139
-	4,252	-4,252		Sport en Ontspan/Sports and recreation - Merin	-	796	-796	-18,080
-	1,424,114	-1,424,114		Council Expenses	-	1,862,005	-1,862,005	-2,014,055
2,060	897,874	-895,814		Geboue/Buildings	15,073	1,370,722	-1,355,649	-1,344,714
595,579	1,749,431	-1,153,852		*Gesubsidieerde Dienste/Subsidised Services*	12,121	1,800,814	-1,788,694	-1,649,977
13,467	355,322	-341,855		Openbare Biblioteek/Public Library	10,370	630,757	-620,387	-564,009
2,409	425,520	-423,111		Libra Biblioteek/Library	859	160,384	-159,525	-151,511
1,703	212,705	-211,002		Nonz Biblioteek/Library	756	214,753	-213,997	-241,097
-	-	-		Rural Areas	-	-	-	-
-	55,621	-55,621		Brandweer/Fire protection	-	48,105	-48,105	-105,172
578,000	700,263	-122,263		Primêre Gesondheid/Primary Health Services	136	746,815	-746,679	-488,188
9,635,075	6,083,136	3,551,939		*Ekonomiese Dienste/Economic Services*	10,565,849	5,491,511	5,074,338	2,833,786
5,487,125	3,922,801	1,564,324		Riool/Sewerage	6,170,993	3,037,256	3,133,736	2,077,174
300,974	18,442	282,532		Meent/Commonage	272,656	24,829	247,827	119,096
79,407	149,077	-69,670		Toetsstasie/Test station	101,205	182,318	-81,113	-186,059
3,486,629	1,837,110	1,649,519		Vullis/Refuse	3,729,982	2,122,267	1,607,716	670,547
280,940	155,706	125,234		Motorvoertuigregistrasie/Motor Registrations	291,013	124,841	166,172	153,028
45,299	20,475	24,824		**Behuisingsdiens/Housing services**	50,334	25,356	24,978	-25,144
24,611,868	18,390,862	6,221,006		**Handelsdienste/Trading Services**	25,632,573	15,767,895	9,864,678	12,433,726
8,096,120	3,908,465	4,187,655		Water	8,336,237	2,409,200	5,927,036	7,382,009
16,515,748	14,482,397	2,033,351		Elektrisiteit/Elctricity	17,296,337	13,358,694	3,937,642	5,051,717
50,559,599	48,073,736	2,485,864		**Totaal/Total**	53,571,469	52,613,586	957,883	
		-557,448		Aanwendings vir jaar(Verwys na aantekening 18) Appropriations for the year (Refer to note 18)			3,485,173	
		1,928,415		Netto oorskot /(tekort) vir die jaar Net surplus/(deficit for the year			4,443,056	
		3,310,903		Onaangewende oorskot/(opgehoopte tekort) aan die begin van die jaar Accumulated surplus/(deficit) at the beginning of the year			5,239,318	
		5,239,318		Onaangewende oorskot/(opgehoopte tekort) aan die einde van die jaar Accumulated surplus/(deficit) at the end of the year			9,682,374	

AANHANGSEL F/APPENDIX F

Algemene statististiek/General statistic	2004/2005	2003/2004
Bevolking/Population	37957	37957
Aantal geregistreerde kiesers/Registered voters	18190	18190
Oppervlakte (km)	3387ha	3387ha
Totale waardasies:/Valuations		
- Belasbaar /Taxable (R'000)	210,371,102	189,506,464
- Nie - belasbaar/Non-taxable (R'000)	2,375,050	29,434,697
- Residensieel/Residential (R'000)		
- Kommersieel/Commercial (R'000)		
Waarderingsdatum/Valuation date: 1Julie 1994		
Aantal persele/Number of erven:	9,654	9,654
- Residensieel /Residential		
- Kommersieel /Commercial		
Eiendomsbelastingkoers/Assessment rate		
- Basies (per rand)	0.1044c/R	0.0958c/R
	0.0286c/R	0.0262c/R
- Korting: residensieel/Discount: residential	40%	0%
Aantal werknemers/Number of employees	285	285
Elektrisiteitstatistiek		
Eenhede (kWh) aangekoop ('000)/Units (kWh) purchased		
Eenhede (kWh) verkoop ('000)/Units (kWh) sold ('000)	28,842,932	
Eenhede (kWh) verlore gegaan met verspeiding/		
Unit (kWh) lost with distribution		
Persentasie verlies met verspreiding/Presentation loss		
Koste per eenheid verkoop/Cost per unit sold	0.39	
Inkomste per eenheid verkoop/Income per unit sold		
Waterstatistiek		
Kl gepomp/Kl pumped		
Kl verkoop/Kl sold	1,841,562	2,415,221
Kl verlore gegaan met verspreiding/Kl distribution loss		
Persentasie verlies met verspreiding/Presentation loss		
Koste per Kl verkoop/Cost per Kl sold		
-1-6kl	0	
- 7 -15kl	3.38	
-16 - 30kl	3.84	
-31 en meer	4.47	
Inkomste per kl verkoop/Income per kl sold		

ADDITIONAL INFORMATION AS PER SECTION 124 AND 125 OF THE MFMA

Councillors with arrears older than 90 days (Note: These are total amounts outstanding as at 30 June 2005 including the portion older than 30 days):

Bantu DJF	5,638
Fillies F	6,777
September MS	1,390
Tshangela PNG	8,901
	22,707

1. Contributions to organised local government:
   72,823.20
2. Bank accounts and balances:

Account name	Type of account	Bank	Bal: 01-07-2004	Bal:30-06-2005
Main	Cheque	ABSA	(3,881,749.38)	(1,552,858.20)
Traffic systems	Cheque	ABSA (start Feb '05)	0.00	180,979.31
Satellite offices'	Cheque	Standard	38,558.57	368,014.32

3. Investment balances:

Account name	Type of account	Bank	Balance
Revolving Fund	Fixed	ABSA	5,159,779.41
Housing: LC Nyl	Fixed	ABSA	5,222.59
Revolving Fund	Fixed	ABSA	1,189,891.30
Sewerage Redemption	Fixed	ABSA	317,240.05
Dog Tax	Fixed	ABSA	120,711.34
Sports ground	Call	ABSA	87,557.96
Revolving	Call	ABSA	153,864.84
Compressor	Call	ABSA	9,775.40
LED	Call	ABSA	684,783.49
Revolving Fund	Call	ABSA	321,540.36
FMG	Call	ABSA	474,771.84
Housing: De Aar East	Call	ABSA	2,153.65
Revolving Fund: Asset Sales	Call	ABSA	172,325.88
Job Creation	Call	ABSA	30,908.19
Britstown Library	Call	ABSA	265,532.62
Sanitation & Drought Relief	Call	ABSA	1,013,598.24

4. Fees, taxes, levies and contributions paid:

	Payment for Year	Arrears at Year End
Audit Fees	187,388,01	137,164.03
RCS Levy	24,122.31	0.00
Skills Development Levy	77,010.98	0.00
SALGBC Levy	8,537.40	0.00
UIF	134,779.48	0.00
Pension Contributions	23,065,782.22	0.00

ADDITIONAL INFORMATION AS PER SECTION 124 AND 125 OF THE MFMA

Councillors with arrears older than 90 days (Note: These are total amounts outstanding as at 30 June 2005 including the portion older than 30 days):

Bantu DJF	5,638
Fillies F	6,777
September MS	1,390
Tshangela PNG	8,901
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1. Contributions to organised local government:
   72,823.20
2. Bank accounts and balances:

Account name	Type of account	Bank	Bal: 01-07-2004	Bal:30-06-2005
Main	Cheque	ABSA	(3,881,749.38)	(1,552,858.20)
Traffic systems	Cheque	ABSA (start Feb '05)	0.00	180,979.31
Satellite offices'	Cheque	Standard	38,558.57	368,014.32

3. Investment balances:

Account name	Type of account	Bank	Balance
Revolving Fund	Fixed	ABSA	5,159,779.41
Housing: LC Nyl	Fixed	ABSA	5,222.59
Revolving Fund	Fixed	ABSA	1,189,891.30
Sewerage Redemption	Fixed	ABSA	317,240.05
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Britstown Library	Call	ABSA	265,532.62
Sanitation & Drought Relief	Call	ABSA	1,013,598.24

4. Fees, taxes, levies and contributions paid:

	Payment for Year	Arrears at Year End
Audit Fees	187,388,01	137,164.03
RCS Levy	24,122.31	0.00
Skills Development Levy	77,010.98	0.00
SALGBC Levy	8,537.40	0.00
UIF	134,779.48	0.00
Pension Contributions	23,065,782.22	0.00

Medical Contributions	1,603,976.94	0.00
TOTAL	**25,101,403.34**	**137,164.03**

5. Material losses and irregular expenses:

5.1. In June 2005 an amount of R31,234.36 was discovered to be in shortage at the Motor Registrations Section at De Aar. Of that an amount of R16,000.00 was repaid by the responsible official. That official resigned when he was due for a disciplinary hearing. The municipality is in the process of claiming the balance against the official's pension payout. A court order has been received to oblige the pension fund to withhold paying out his pension claim. The case was also reported to the SAPS and is still under investigation. The case number is 215/06/2005.

5.2. In July 2005 it was discovered that money collected at the Britstown Motor Registrations Section of the municipality is not always paid over to the General Cashier (ie the municipal portion) and/or deposits are not always made into the account of the provincial Department of Transport. The official responsible was brought before a disciplinary hearing, found guilty and transferred to the library. However, because of some errors the hearing could not consider and decide on amounts. The case being investigated by the SAPS and the case number is 89/10/2005. The municipality is still considering how to take to recover the amount (recalculated subsequent to the disciplinary hearing) of R57,062.98.

5.3. In August 2005 an investigation was launched into a case of suspected theft of funds by cancelling transactions, after receipts were issued to debtors, and not re-entering the cancellation (correctly); but these amounts would not show as surpluses on the days concerned. Debtors accounts were these under-paid by the amounts cancelled. The case is still under internal investigation.